



Important Adjustments to the Beginning Farmer Tax Credit Program

Effective January 1, 2013

All tax credit applications must be submitted by September 1st to be considered for that tax year.

- Maximum net worth will **INCREASE** from \$343,000 to \$691,172
- The application fee for crop share lease applications will be increased to \$200 for the application and \$100 for each year of the lease to be collected at the time of application.
 - **Example:** If you are submitting an application with a 5-year lease, your fee to enter the program will be: \$200 (Application fee) + \$500 (\$100 x 5 years of servicing) = \$700
- Application fee for cash rent and flex lease applications will remain unchanged at \$200 for the application and \$50 for each year of the lease to be collected at the time of application.
 - **Example:** If you are submitting an application with a 5-year lease, your fee to enter the program will be: \$200 (Application fee) + \$250 (\$50 x 5 years of servicing) = \$450
- On all crop share agreements, all acres will be allocated with 50% to corn and 50% to soybeans, unless other crop acres are specifically identified in the lease for other crops – lease will be the number of acres consistently used for the entire term of this tax credit project.
- All tax credit calculations will be completed with the respective county's historical average T-yield data and the price will be the previous year's RMA fall price. Flex leases will be calculated using the cash rent base only, no additional credit will be calculated or issued on the flex terms.